
HEMISPHERE GPS INC.

NOTICE OF ANNUAL GENERAL MEETING

and

INFORMATION CIRCULAR – PROXY STATEMENT

WITH RESPECT TO THE

**ANNUAL GENERAL MEETING OF
SHAREHOLDERS**

TO BE HELD MAY 15, 2008

HEMISPHERE GPS INC.
NOTICE OF
ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that an Annual General Meeting (the “**Meeting**”) of the shareholders of Hemisphere GPS Inc. (the “**Corporation**” or “**Hemisphere GPS**”) will be held at the *Calgary Telus Convention Centre, Telus Rm. 101-102, 136 Eighth Avenue SE, Calgary, Alberta on Thursday, May 15, 2008 at 2:30 p.m.* in the afternoon (Calgary time) for the following purposes:

1. To receive and consider the financial statements of the Corporation, together with the report of the auditors thereon, for the year ended December 31, 2007;
2. To fix the number of Directors to be elected at the Meeting at eight (8);
3. To elect Directors for the ensuing year;
4. To appoint auditors for the ensuing year and to authorize the Board to fix their remuneration; and
5. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular - Proxy Statement accompanying and forming part of this Notice.

The Directors of the Corporation have fixed a record date for the purpose of determining the shareholders entitled to receive notice of the Meeting. Each person who is a holder of common shares of record at the close of business on March 17, 2008 (the “**Record Date**”) will be entitled to notice of, and to attend and vote at, the Meeting except, to the extent that such a shareholder transfers the ownership of any of his/her shares after the Record Date and the transferee of those shares establishes that he/she owns such shares and demands, not later than ten days (10) before the Meeting, that his/her name be included in the list of shareholders entitled to vote at the Meeting, such transferee will be entitled to vote such shares at the Meeting.

Shareholders of the Corporation who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and to mail it to or deposit it with the Corporation, c/o Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. In order to be valid and acted upon at the Meeting, instruments of proxy must be returned to the aforesaid address not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment thereof.

DATED at Calgary, Alberta, this 28th day of March, 2008.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Michael Lang*”
Chairman of the Board

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GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular.

“**Board**” or “**Board of Directors**” means the board of directors of Hemisphere GPS as presently constituted;

“**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday when banks are generally open for the transaction of banking business;

“**Common Shares**” means the common shares of Hemisphere GPS, as presently constituted;

“**Corporation**” or “**Hemisphere GPS**” means Hemisphere GPS Inc., a corporation incorporated pursuant to the laws of the Province of Alberta;

“**Director**” means a director of the Corporation;

“**Guidelines**” means the guidelines published by the Canadian Securities Administrators in National Policy 58-201 *Corporate Governance Guidelines* relating to corporate governance matters;

“**Information Circular**” means this information circular – proxy statement dated March 28, 2008 in respect of the Meeting;

“**Meeting**” means the annual general meeting of the shareholders of Hemisphere GPS to be held on May 15, 2008;

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

“**Record Date**” means the record date for the Meeting, being March 17, 2008; and

“**TSX**” means the Toronto Stock Exchange.

Hemisphere GPS INC.**INFORMATION CIRCULAR - PROXY STATEMENT
dated March 28, 2008****Annual General Meeting of Shareholders
to be held on May 15, 2008****PART I - INTRODUCTION**

This Information Circular - Proxy Statement is furnished in connection with the solicitation of proxies by the management of Hemisphere GPS Inc. (the "Corporation" or "Hemisphere GPS") for use at the Annual General Meeting of Shareholders of the Corporation (the "Meeting") to be held at the *Calgary Telus Convention Centre, Telus Rm. 101-102, 136 Eighth Avenue SE, Calgary, Alberta on Thursday, May 15, 2008 at 2:30 p.m.* in the afternoon (Calgary time) and at any adjournment thereof, and on every ballot that may take place in consequence thereof, for the purposes set forth in the Notice of Annual General Meeting of Shareholders.

Unless otherwise stated, the information contained in this Information Circular is given as at March 28, 2008.

No person has been authorized by Hemisphere GPS to give any information or make any representations in connection with the transactions herein described other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by Hemisphere GPS.

PART II - GENERAL PROXY INFORMATION**Solicitation of Proxies**

The Board of Directors has fixed the record date for the Meeting at the close of business on March 17, 2008 (the "**Record Date**"). Only holders of Common Shares of record as at that date are entitled to notice of the Meeting. Shareholders of record will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established that he owns such shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

At the close of business on March 27, 2008 there were 54,560,687 Common Shares issued and outstanding. Two persons present in person and holding or representing not less than five (5%) percent of the Common Shares entitled to vote thereat will constitute a quorum at the Meeting.

Appointment of Proxies

Instruments of proxy must be mailed so as to reach or be deposited with the Corporation, c/o **Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1**, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or any adjournment thereof.

Instruments of proxy must be in writing and must be executed by the shareholder or his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as executors, administrators, trustees, etc. should so indicate and give their full title as such.

The persons named in the enclosed Instrument of Proxy are officers and Directors of the Corporation. Each shareholder has the right to appoint a person or persons, who need not be shareholders of the Corporation, other than the persons designated in the Form of Proxy furnished by the Corporation, to attend and act on such shareholder's behalf at the Meeting. To exercise such right, the names of management's nominees may be crossed out and the name(s) of the shareholder's nominee(s) legibly printed in the blank space provided, or another appropriate instrument of proxy may be submitted.

Revocability of Proxy

An instrument of proxy may be revoked at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by depositing an instrument in writing executed by the shareholder or by its attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited at the registered office of the Corporation, 4110 - 9th Street SE, Calgary, Alberta, T2G 3C4, at any time up to and including the last business day before the day of the Meeting, or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits the proxy is revoked.

Persons Making the Solicitation

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Instrument of Proxy, the Notice of Annual General Meeting of Shareholders and this Information Circular - Proxy Statement will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, telephone or other means of communication by Directors, officers and employees of the Corporation, none of whom will be specifically remunerated therefor.

Exercise of Discretion

The shares represented by the Instrument of Proxy furnished by the Corporation, where the shareholder specifies a choice with respect to any matter to be acted upon, will be voted or withheld from voting on any ballot in accordance with the specification so made. **In the absence of such specification, such shares will be voted in favour of the matters described in the Notice of Annual General Meeting of Shareholders. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. At the time of the printing of this Information Circular - Proxy Statement, the management of the Corporation knows of no such amendment, variation or other matter.**

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many public shareholders of Hemisphere GPS, as a substantial number of the public shareholders of Hemisphere GPS do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of Hemisphere GPS as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of Hemisphere GPS. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The Directors and officers of Hemisphere GPS do not know for whose benefit the shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). If you receive a voting instruction form from Broadridge or another intermediary it cannot be used as a proxy to vote shares directly at the meeting as the proxy must be returned (or otherwise reported as provided in the voting instruction form) as described in the voting instruction form well in advance of the meeting in order to have the shares voted.

There are two kinds of Beneficial Shareholders – those who object to their name being made known to the issuers of securities which they own (called “**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called “**NOBOs**” for Non-Objecting Beneficial Owners).

Up until September 2002, issuers (including the Directors and officers of the Corporation) had no knowledge of the identity of any of their Beneficial Shareholders including *NOBOs*. Subject to the provision of National Instrument 54-101 – “*Communication with Beneficial Owners of Securities of Reporting Issuers*” (“**NI 54-101**”), however, after September 1, 2002 issuers could request and obtain a list of their *NOBOs* from intermediaries via their Transfer Agents. Prior to September 1, 2004 issuers could obtain this *NOBO* list and use it for specific purposes connected with the affairs of the Corporation except for the distribution of proxy-related materials directly to *NOBOs*. This was stage one of the implementation of NI 54-101. Effective for shareholder meetings taking place on or after September 1, 2004 issuers can obtain and use this *NOBO* list for distribution of proxy-related materials directly (not via ADP) to *NOBOs*. This is stage two of the implementation of NI 54-101.

This year, the Corporation has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its *NOBOs*. As a result *NOBOs* can expect to receive a scannable Voting Instruction Form (“**VIF**”) from our Transfer Agent, Computershare Trust Company of Canada (or Computershare Investor Services Inc. as the case might be) (collectively, “**Computershare**”). These *VIFs* are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the *VIF* itself which contain complete instructions. Computershare will tabulate the results of the *VIFs* received from *NOBOs* and will provide appropriate instructions at the Meeting with respect to the shares represented by the *VIFs* they receive.

PART III - MATTERS TO BE ACTED UPON AT THE MEETING

Fix the Number of Directors to be Elected at the Meeting and Election of Directors

The Articles of the Corporation specify that the Board of Directors shall consist of a minimum of three and a maximum of eleven directors. At the Meeting, shareholders will be asked to elect eight (8) directors to hold office until the next annual general meeting of the Corporation or until their successors are elected or appointed.

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of an ordinary resolution fixing the number of directors to be elected at the Meeting at eight (8) members and in favour of the election as directors of the eight (8) nominees hereinafter set forth:

Barry D. Batcheller
Paul G. Cataford
Steven L. Koles
John M. Tye III

Paul L. Camwell
Richard W. Heiniger
Michael J. Lang
Howard W. Yenke

The names, province and country of residence of the persons nominated for election as Directors, the number of Common Shares beneficially owned or controlled or directed, directly or indirectly, the offices held by each in the Corporation, the period served as Director and the principal occupation of each are as follows:

Name, Municipality, Province and Country of Residence and Position with the Corporation	Principal Occupation During the Last Five Years	Director Since	Number of Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly
Michael J. Lang Alberta Canada Non-Executive Chairman and Director	Chairman of StoneBridge Merchant Capital Corp. (a private investment company).	1996	516,005 ⁽⁴⁾ (1.05%)
Howard W. Yenke ⁽²⁾ Massachusetts USA Director and Chairman of the Compensation Committee	Retired Executive.	1996	30,000 ⁽⁵⁾ (0.06%)
Paul L. Camwell ⁽¹⁾⁽³⁾ Alberta Canada Director and Chairman of the Corporate Governance Committee	Chief Technology Officer of Xact Downhole Telemetry (a private engineering firm).	1998	24,562 ⁽⁶⁾ (0.05%)
Paul G. Cataford ⁽¹⁾ Alberta Canada Director and Chairman of the Audit Committee	President and CEO of University Technologies International Inc. (a private technology commercialization company owned by the University of Calgary). Prior to joining University Technologies International Inc. in April of 2004, Mr. Cataford was the Managing Partner of HorizonOne Asset Management, a Toronto-based private equity boutique which he co-founded in 2001. Prior to that Mr. Cataford was Executive Managing Director of BMO Nesbitt Burns Equity Partners.	2004	3,000 ⁽⁷⁾ (0.01%)
Richard W. Heiniger Missouri USA Director and Vice Chairman	CEO of RHS, Inc. (a private manufacturer of farm equipment). Also, formerly President of Hemisphere GPS LLC (formerly Satloc LLC) from April 2005 to May 2006.	2005	3,800,000 ⁽⁹⁾ (7.75%)
John M. Tye III ⁽¹⁾⁽³⁾ Texas USA Director	Chairman of Bigham Brothers Inc. (a private manufacturer of farm equipment).	2006	20,000 ⁽¹⁰⁾ (0.04%)
Barry D. Batcheller ⁽²⁾ North Dakota USA Director	President and CEO of Appareo Systems (a private manufacturer of augmented reality systems) since 2005. Prior thereto Director of Technology Growth with John Deere & Company since 2002. Prior thereto, President and CEO of Phoenix International Corporation.	2006	Nil ⁽¹¹⁾ (0%)

Name, Municipality, Province and Country of Residence and Position with the Corporation	Principal Occupation During the Last Five Years	Director Since	Number of Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly
Steven L. Koles Alberta Canada President and Chief Executive Officer	President and CEO of Hemisphere GPS Inc since September 8, 2006. Prior thereto General Manager at AOL Canada from 2003 to 2006. Prior thereto Managing Director of R4 Management Group / Windy Point Capital and Senior Vice President, Marketing & Sales Support of GT Group Telecom.	2007	50,000 ⁽¹²⁾ (0.10%)

Notes:

- (1) Member of the Corporation's Audit Committee.
- (2) Member of the Corporation's Compensation Committee
- (3) Member of the Corporation's Corporate Governance Committee
- (4) The amount excludes share options to purchase an aggregate of 428,000 Common Shares at prices ranging from \$1.67 to \$2.65 per Common Share.
- (5) Excludes share options to purchase an aggregate of 90,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.
- (6) Excludes share options to purchase an aggregate of 90,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.
- (7) Excludes share options to purchase an aggregate of 90,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.
- (8) These shares are registered to RHS, Inc., a company fully controlled by Mr. Heiniger. 2,400,000 of the common shares issued are held in escrow with 2,400,000 to be released on April 8, 2008. Effective December 31, 2007, 1,500,028 common shares became issuable to RHS under performance warrants issued to RHS as part of the acquisition of the Outback business assets in April 2005. Additional common shares were payable under the performance warrants based on revenue and profitability for the years 2005 to 2007. The common shares are expected to be issued on April 8, 2008.
- (9) Excludes share options to purchase an aggregate of 90,000 Common Shares at prices ranging from \$1.67 to \$1.70 per Common Share.
- (10) Excludes share options to purchase an aggregate of 90,000 Common Shares at prices ranging from \$1.67 to \$1.70 per Common Share.
- (11) Excludes share options to purchase an aggregate of 200,000 Common Shares at prices ranging from \$1.67 to \$2.20 per Common Share.

The information as to principal occupation and as to shares beneficially owned or controlled or directed, directly or indirectly, is based upon information provided by the nominees as of March 30, 2008. Each of the above nominees are currently Directors of the Corporation and were elected at the last annual general meeting of shareholders.

Other than as disclosed below, no proposed director is as at the date hereof, or has been, within 10 years of the date hereof, a director, chief financial officer or chief executive officer of any company, including the Corporation, that:

- (a) while the proposed director was acting in such capacity 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;
- (b) was subject to an event that occurred while the proposed director was acting in such capacity which resulted, after the proposed director ceased to be a director, chief financial officer or chief 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,
- (c) while the proposed director was acting in that capacity or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has, within the 10 years before the date of this Information 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.

Michael J. Lang who was previously a director of Beau Canada Exploration Ltd. One of the companies acquired by Beau Canada Exploration Ltd. was Environmental Technologies Inc. (“ETI”). After the acquisition, Michael J. Lang became a director of ETI. ETI was issued a cease trade order on August 28, 1997. Michael J. Lang subsequently resigned as a director of ETI on and ETI was wound up.

Steven L. Koles was previously an officer of GT Group Telecom Inc. In March 2002, Mr. Koles resigned from his position with that company. GT Group Telecom Inc. filed for CCAA protection prior to the end of 2002. GT Group Telecom Inc. later merged with 360 Networks Inc.

In addition, no proposed director of the Corporation has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Appointment of Auditors

The persons named in the Instrument of Proxy furnished by the Corporation intend, unless otherwise directed, to vote in favour of an ordinary resolution to reappoint the firm of KPMG, LLP, Chartered Accountants, to serve as auditors of the Corporation to hold office until the next annual general meeting of shareholders and to authorize the Board to fix their remuneration. KPMG, LLP, Chartered Accountants, were originally appointed as auditors of the Corporation on January 1, 1996.

The Audit Committee reviews the annual audit fees and considers the issue of auditor independence in the context of all services provided to the Corporation.

Certain information regarding Hemisphere GPS' audit committee, including the fees paid to Hemisphere GPS' auditors in the last fiscal year, that is required to be disclosed in accordance with National Instrument 52-110 of the Canadian Securities Administrators, is contained in Hemisphere GPS' annual information form for the year ended December 31, 2007, an electronic copy of which is available on the internet on Hemisphere GPS' SEDAR profile at www.sedar.com.

PART IV - INFORMATION CONCERNING THE CORPORATION

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares, an unlimited number of first preferred shares issuable in series and an unlimited number of second preferred shares, issuable in series. As at March 27, 2008, there were 54,560,687 Common Shares issued and outstanding and no first or second preferred shares issued and outstanding. Two persons present in person and holding or representing not less than five (5%) percent of the Common Shares entitled to vote thereat will constitute a quorum at the Meeting.

On December 27, 2007, the Corporation closed a bought-deal private placement of 5,555,600 special warrants (“Special Warrants”) issued at a price of \$3.15 per Special Warrant for total gross proceeds of \$17,500,140. The Special Warrants were deemed to be exercised on March 26, 2008 and on March 26, 2008, 5,555,600 Common shares were issued and the Special Warrants were cancelled.

The holders of Common Shares are entitled to receive notice of all shareholders meetings (other than meetings of a class or series of shares of the Corporation other than the Common Shares) and to one (1) vote thereat for each share held. The holders of the Common Shares are entitled to receive such dividends as are declared by the Board of Directors on the Common Shares as a class, subject to prior satisfaction of all preferential rights to dividends attached to all shares of the Corporation ranking in priority to the Common Shares, and in respect of

return of capital, the holders of Common Shares are entitled to share pro rata together with the holders of any other classes of shares ranking equally with the Common Shares in such assets of the Corporation as are available for distribution.

To the knowledge of the Directors or senior officers of the Corporation, no person beneficially owns or controls or directs, directly or indirectly, voting securities carrying more than ten (10%) percent of the voting rights attached to any class of voting securities of the Corporation as at the date hereof.

EXECUTIVE COMPENSATION

Compensation of Executive Officers

The information provided below relates to remuneration paid during the financial years ended December 31, 2007, December 31, 2006 and December 31, 2005 to the Corporation's Chief Executive Officer, the Chief Financial Officer and each of the Corporation's three most highly compensated executive officers (the "Named Executive Officers"). All figures are in Canadian dollars unless indicated otherwise.

Summary Compensation Table

		Annual Compensation			Long-Term Compensation			
					Awards		Payouts	All Other Compensation (\$)
Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Other Annual Compensation	Securities Under Options/SARs Granted (#)	Restricted Shares or Restricted Share Units (\$)	LTIP Payouts (\$)	
Steven L. Koles President and Chief Executive Officer	2007	262,500 ⁽¹⁾	64,665 ⁽²⁾	Nil ⁽¹⁾	100,000	Nil	Nil	9,629 ⁽³⁾
	2006	78,686	10,000	Nil	100,000	Nil	Nil	Nil
Cameron B. Olson Sr. Vice President & Chief Financial Officer	2007	220,500	28,999 ⁽⁴⁾	Nil ⁽¹¹⁾	Nil	Nil	Nil	9,821 ⁽⁵⁾
	2006	201,201	78,100	Nil	150,000	Nil	Nil	Nil
	2005	167,888	Nil	Nil	Nil	Nil	Nil	Nil
S. Dean Ryerson Sr. Vice President & COO Agriculture	2007	198,174 US	19,009 US ⁽⁶⁾	Nil ⁽¹¹⁾	35,000	Nil	Nil	Nil
	2006	201,149 US	25,000 US	Nil	Nil	Nil	Nil	Nil
	2005	142,942 US	58,500 US	Nil	100,000	Nil	Nil	Nil
Michael Whitehead Chief Scientist, Hemisphere GPS	2007	178,586 US	18,338 US ⁽⁷⁾	Nil ⁽¹¹⁾	Nil	Nil	Nil	7,750 US ⁽⁸⁾
	2006	161,655 US	20,000 US	Nil	50,000	Nil	Nil	4,984 US
	2005	148,173 US	Nil	Nil	50,000	Nil	Nil	Nil
Phil Gabriel General Manager, Precision Products	2007	165,000	17,122 ⁽⁹⁾	Nil ⁽¹¹⁾	35,000	Nil	Nil	6,600 ⁽¹⁰⁾
	2006	159,000	Nil	34,217 ⁽¹²⁾	Nil	Nil	Nil	Nil
	2005	159,000	Nil	8,208 ⁽¹²⁾	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Koles joined Hemisphere GPS as President and Chief Executive Officer on September 8, 2006.
- (2) Mr. Koles earned a bonus of \$64,665 in 2007 that was paid in 2008. For 2006, Mr. Koles earned a bonus of \$10,000 that was paid in 2007.
- (3) The Corporation matched RRSP contributions to an employee savings plan for Mr. Koles totalling \$9,629 in 2007.
- (4) Mr. Olson earned a bonus of \$28,999 in 2007 that was paid in 2008. For 2006, Mr. Olson earned a bonus of \$78,100, of which \$53,100 was paid in 2006 and \$25,000 was paid in 2007.
- (5) The Corporation matched RRSP contributions to an employee savings plan for Mr. Olson totalling \$9,821 in 2007.
- (6) Mr. Ryerson earned a bonus of \$19,009 in 2007 that was paid in 2008. For 2006, Mr. Ryerson earned a bonus of \$25,000US that was paid in 2007.
- (7) Mr. Whitehead earned a bonus of \$18,338US in 2007, of which \$2,000US was paid in 2007 and \$16,338US that was paid in 2008. For 2007, Mr. Whitehead earned a bonus of \$20,000US that was paid in 2007.
- (8) The Corporation matched 401(K) contributions to a 401(K) savings plan for Mr. Whitehead totalling \$7,750US in 2007, \$4,984US in 2006 and \$nil for 2005.
- (9) Mr. Gabriel earned a bonus of \$17,122 in 2007 that was paid in 2008.
- (10) The Corporation matched RRSP contributions to an employee savings plan for Mr. Gabriel totalling \$6,600 in 2007.
- (11) The total perquisites and other personal benefits is less than \$50,000 and 10% of the total annual salary and bonus for the year.
- (12) Mr. Gabriel earned commissions of \$34,217 in 2006 and \$8,208 in 2005.

Share Option Grants

The Corporation has from time to time, issued share options to Directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Corporation and its subsidiaries. Pursuant to the Corporation's current Stock Option Plan (the "Plan") the aggregate number of Common Shares that may be issued pursuant to the exercise of share options shall not exceed a rolling maximum/evergreen limit equal to 10% of outstanding Common Shares, being 5,456,068 Common Shares on March 27, 2008. The exercise price of such share options cannot be less than the market price of the Common Shares on the stock exchange on which such shares are then traded.

The following table details the grants of share options to purchase Common Shares of the Corporation to the Named Executive Officers during the financial year ended December 31, 2007.

Name	Options Granted in 2007	% of Total Options Granted to Employees ⁽¹⁾	Exercise Price (\$/share)	Market Value of Common Share on the Date of Grant ⁽²⁾ (\$/share)	Expiry Date
Steven Koles	100,000	36%	2.20	2.20	March 9, 2012
Cameron Olson	Nil	N/A	N/A	N/A	N/A
Dean Ryerson	35,000	13%	2.20	2.20	March 9, 2012
Michael Whitehead	Nil	N/A	N/A	N/A	N/A
Phil Gabriel	35,000	13%	2.20	2.20	March 9, 2012

Notes:

- (1) During the financial year ended December 31, 2007 a total of 275,000 share options to purchase Common Shares were granted under the Plan.
- (2) Based on the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant.

Stock Option Exercises

The following table sets forth information with respect to share options exercised by the Named Executive Officers during the most recently completed financial year and their respective share option positions as at December 31, 2007.

Name	Options Exercised (#)	Aggregate Value Realized (\$)	Unexercised Options at December 31, 2007 Exercisable/Unexercisable (#)	Value of Unexercised in-the-money Options at December 31, 2007 Exercisable/Unexercisable ⁽¹⁾ (\$)
Steven Koles	Nil	Nil	60,417/139,583	104,542/224,457
Cameron Olson	20,000	25,448	334,000/Nil	585,660/Nil
Dean Ryerson	Nil	Nil	95,455/39,545	9,319/40,381
Phil Gabriel	Nil	Nil	25,063/28,437	35,594/40,381
Michael Whitehead	Nil	Nil	90,697/49,303	156,467/96,432

Note:

- (1) Based upon a closing price on the TSX of \$3.62 per Common Share on December 31, 2007, less the exercise price.

Securities Authorized For Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans at December 31, 2007.

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders ⁽¹⁾	2,785,468 Common Shares	\$2.18	2,096,466 Common Shares
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,785,468 Common Shares	\$2.18	2,096,466 Common Shares

Note:

(1) Relates to the Plan.

Executive Employment Contracts and Termination of Employment

The Corporation has entered into employment agreements with Messrs. Koles, Olson and Ryerson. They provide, *inter alia*, that if employment of Messrs. Koles, Olson, or Ryerson is terminated for any reason, other than for cause, they shall be entitled to certain termination payments ("Termination Payments"). Mr. Koles' agreement provides for a Termination Payment equal to the one year's salary plus a payment of 15% in lieu of benefits. Mr. Olson's agreement provides for a Termination Payment equal to the product of twelve, plus one for each completed year of service, times the monthly salary plus 15% in lieu of benefits, to a maximum of two years salary and benefits. Mr. Ryerson's agreement provides for a Termination payment equal to the product of twelve months, plus one month for each completed year of service, times the monthly salary, to a maximum of two years salary.

In the event that a change of control takes place, Messrs. Olson and Ryerson will not voluntarily leave the employment of Hemisphere GPS for six (6) months after the change, except with written approval. Mr. Koles' agreement provides that in the event of a change of control situation, he will not voluntarily leave the employ of the Corporation until six months after the change of control event has been affected, or after the change of control efforts have been terminated. Furthermore, in the event of a change of control situation, Mr. Koles agreement provides compensation equal to one times the current annual base salary if the employment agreement is terminated as a result of the change of control event, or if he accepts ongoing employment with a reduced title or responsibilities following the change of control.

Share Option Plan

The Plan permits the granting of share options to purchase Common Shares to officers, Directors and key employees of, and key consultants to, the Corporation. Currently, the Plan has a rolling maximum/evergreen limit for the issuance of stock options up to, but not in excess of 10% of outstanding Common Shares. At December 31, 2007, there were 48,819,341 Common Shares outstanding, providing a stock option limit of 4,881,934. Stock options are currently outstanding, leaving share options to purchase approximately 2,096,466 Common Shares or approximately 4.3% of the issued and outstanding number of Common Shares at December 31, 2008 available for issuance under the Plan. As at March 27, 2008, there were share options to purchase 2,588,612 Common Shares (or approximately 4.7% of the Common Shares outstanding as at such date) outstanding under the Plan.

Stock options are granted under the Plan in accordance with a policy approved by the Board of Directors and provide for pricing at the closing price of the Common Shares of the Corporation on the date that is 15 trading days following the date identified in the policy with respect to such stock options. Current outstanding stock options granted under the Plan are issued with a vesting period of between two to four years, and generally expire after five years.

At the Corporation's Special and Annual Meeting on May 9, 2007, certain amendments were approved by shareholders relating to the Share Option Plan, including the following:

1. the adoption of a rolling maximum/evergreen share option plan with a rolling maximum limit equal to 10% of outstanding Common Shares;
2. the addition of provisions enabling the automatic extension of the exercise period of a share option during a self-imposed blackout period for a maximum of 10 days following the end of such blackout period; and
3. the addition of specific "amending provisions" to the Plan.

Compensation Committee

The Directors of the Corporation established a compensation committee (the "**Compensation Committee**") in May, 1996. The Compensation Committee is currently comprised of Howard W. Yenke (Chairman) and Barry D. Batcheller. Neither of these Directors are executive officers of the Corporation and both are "independent" as defined in National Instrument 58-101 of the Canadian Securities Administrators. See Schedule "A" *Corporate Governance Disclosure* attached hereto.

The Compensation Committee is charged with the responsibility to oversee the approach of the Corporation to matters concerning Director, executive and employee compensation and, from time to time, to make recommendations to the Board of Directors with respect to such matters. The *Compensation Committee Terms of Reference* have been attached as Schedule D.

REPORT OF COMPENSATION COMMITTEE

TO: The Shareholders of Hemisphere GPS Inc.

Executive Compensation Strategy

The Corporation's executive compensation program is comprised of three components: salary, incentive compensation, and stock-based compensation. The objectives of the program are to attract and retain high quality employees, and to motivate performance by tying total compensation to improvement in the Corporation's long-term financial success, measured in terms of financial performance and growth in the share value.

Base Salaries

Salaries of the executive officers are reviewed annually based on individual performance, responsibility and experience. The Corporation participates in industry salary surveys, if necessary, to ensure that salaries offered to executives are competitive among industry peer companies of similar size. During 2006, the Corporation engaged a third party consulting firm to assist in the development of a comprehensive compensation program that will ensure that the Corporation remains externally competitive. The program will apply to all employees of the Corporation, including officers.

Incentive Compensation Plan

The Corporation has established an incentive compensation plan for its executive officers based upon the financial performance of the Corporation for the applicable financial year and the individual performance of the executive officers. The structure and performance targets of the incentive compensation plan are reviewed annually,

and are approved by the Compensation Committee. Bonuses may also be paid to certain executive officers upon the completion of certain significant events as approved by the Compensation Committee.

During 2007, corporate profitability was within a range established in the executive incentive compensation plan approved by the Compensation Committee, and as a result, incentive compensation payments were awarded to executive officers under the executive incentive compensation plan. Individual bonuses were awarded to certain executive officers based upon the evaluation of their performance relative to expectations and with the approval of the Compensation Committee. No waivers or adjustments of performance criteria were made with respect to any incentive compensation plans for the Named Executive Officers.

Stock-Based Compensation

Share options under the Plan are granted to executive officers based upon their performance, the performance of the Corporation and the competitive practices of comparable companies. The awarding of share options serves to motivate the executive officers to focus on the long term interests of the Corporation, which is consistent with the interests of the Corporation's shareholders. Share options are granted at the market price in effect at the time of the grant and the ultimate realizable value of the executives' option grants is entirely dependent on the appreciation in the market price of the Common Shares after the date of the grant.

CEO Compensation

The Chief Executive Officer's responsibility is to provide direction and leadership in setting and achieving goals which will create value for the Corporation's shareholders. Steven L. Koles was Chief Executive Officer of the Corporation throughout 2007 and received base salary payments of \$262,500. In addition, Mr. Koles was awarded a bonus of \$64,665 by the Compensation Committee for corporate performance under the executive incentive compensation plan and for individual performance relative to expectations.

Mr. Koles' compensation package was reviewed relative to published data in respect of chief executive officer compensation within the industry and based upon consideration of Mr. Koles' experience and performance. This review included publicly available information for small-cap and mid-cap technology-related companies in the local and national regions.

In addition to salary, the Chief Executive Officer has the ability to receive share option grants. The intent of the share option opportunity is to provide the Chief Executive Officer with incentive to strategically grow the Corporation with such growth to be reflected in the market price of the Corporation's Common Shares, thereby benefiting both the Chief Executive Officer and the shareholders of the Corporation. In 2007, Mr. Koles was granted 100,000 share options.

Summary

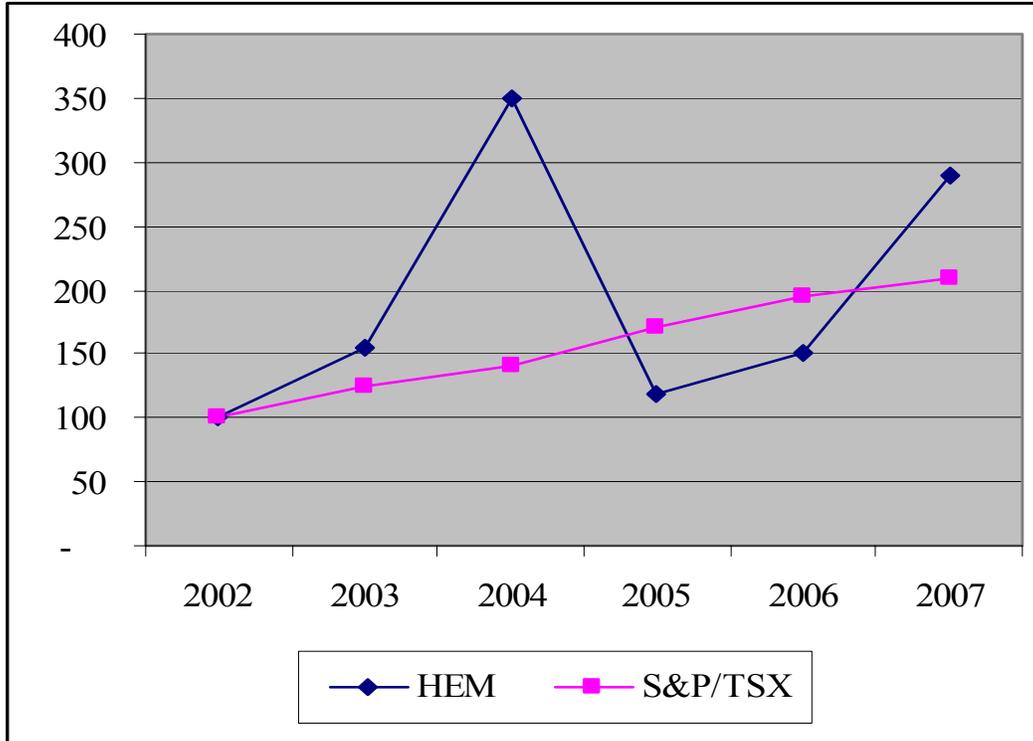
The Corporation's compensation policies have allowed the Corporation to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing shareholder value. Through the plans described above, a significant portion of the Corporation's executive compensation is based on individual and corporate performance and industry-competitive pay practices. The Compensation Committee and the Board of Directors will continue to review compensation policies to ensure that they are competitive within the industry in which the Corporation operates and consistent with the performance of the Corporation.

Presented by the Compensation Committee:

Howard W. Yenke, Chairman
Barry D. Batcheller

Performance Graph

The following graph compares the Corporation's cumulative total shareholder return (assuming an investment of \$100 on December 31, 2002) on the Common Shares of the Corporation during the period ended December 31, 2007, with the cumulative total return of the TSX 300 Composite Index for the same period.



	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2004	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2007
Hemisphere GPS	100	155	350	118	151	290
S&P/TSX Composite Index	100	124	140	170	195	209

Compensation of Directors

Directors who are also executive officers of Hemisphere GPS do not receive compensation for acting in their capacities as directors. Directors of the Corporation who are not executive officers receive compensation for serving in their capacity as such as determined by the Compensation Committee.

An aggregate of \$346,120 was paid to Directors for serving in such capacity during the financial year ended December 31, 2007. Included in the aggregate amount paid to the Directors is:

- \$50,000 paid to Michael Lang in his capacity as Chairman of the Board;
- \$94,396US paid to Richard Heiniger for Directors fees and executive services provided in his capacity as Director and Vice-Chairman from January to July, 2007. As of August 1, 2007, the Vice-Chairman's fee was set at \$35,000 on an annual basis;
- Directors fees of \$15,000 per annum for each Director;
- \$9,500 per annum is paid to the Chairman of the Audit Committee and \$5,000 per annum is paid to the Chairman of each of the Compensation Committee and the Corporate Governance Committee; and

- \$1,000 per meeting attended by Directors.

All Directors are reimbursed for out-of-pocket expenses incurred in connection with the performance of their duties.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

The aggregate indebtedness to the Corporation of all senior officers and directors of the Corporation was \$683,668US as at March 30, 2008. Details with respect to the outstanding indebtedness are set forth below:

Name and Principal Occupation	Involvement of the Corporation	Largest Amount Outstanding from January 1, 2007 to December 31, 2007 (\$)	Amount Outstanding at February 29, 2008 (\$)	Financially Assisted Securities Purchases from January 1, 2006 to December 31, 2007 (#)	Security for Indebtedness
RHS, Inc., Controlling shareholder is Richard Heiniger	Lender	\$1,542,662US	Nil	Nil	See below

Except as set forth below, no Director, executive officer or other senior officer of the Corporation, or any associate of any such Director or officer, is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or any of its subsidiaries nor is, or at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

RHS, Inc.

On April 8, 2005, the Corporation completed the acquisition of the Outback business assets from RHS, Inc. (“RHS”), a company that is controlled by Richard Heiniger, a Director of the Corporation. Subsequent to the acquisition, the Corporation has entered into transactions with RHS, including the lease of a building, the sharing of employees and the use of a chartered aircraft owned by RHS. In addition, under the Outback business acquisition agreement, RHS has indemnified the Corporation for a share of the costs associated with certain claims against the Corporation, the payment for which is not due until the related claim is settled or terminated.

In connection with the indemnification described in the previous paragraph, 450,000 Common Shares of the Corporation are held in escrow as security for amounts owing to the Corporation under the indemnification. The indemnification of Hemisphere GPS relating to the holding of these Common Shares was satisfied during 2007 and as a result, the related Common shares will be released from escrow on April 8, 2008.

Amounts owing to the Corporation in 2007 related to the above related party transactions are more fully described in the notes to the Corporation’s consolidated financial statements for the year ended December 31, 2007, which are available on the internet on Hemisphere GPS' SEDAR profile at www.sedar.com.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON AT THE MEETING

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise of any Director or executive officer who has held office as such since the beginning of the Corporation's last financial year, any proposed director, or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting, other than the election of directors or except as disclosed elsewhere in this Information Circular.

INTERESTS OF INSIDERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of any proposed Directors of the Corporation, or any Informed Person (as defined in National Instrument 51-102) of the Company or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

OTHER MATTERS

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual Meeting of Shareholders. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at www.sedar.com. Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis for its most recently completed financial year. The Corporation will provide, without charge to a security holder, a copy of Hemisphere GPS' latest annual information form and any documents incorporated therein by reference, the 2007 annual report to shareholders containing comparative financial statements for 2007 together with the auditors' report thereon and management's discussion and analysis, interim financial statements for subsequent periods, and this information circular upon request to the Chief Financial Officer, 4110 – 9th Street SE, Calgary, Alberta, T2G 3C4. If you wish, this information may also be accessed on Hemisphere GPS' website (www.hemispheregps.com) or on SEDAR at www.sedar.com.

CORPORATE GOVERNANCE

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

SCHEDULE A

CORPORATE GOVERNANCE DISCLOSURE

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

- **Board of Directors**

Disclose the identity of directors who are independent.

Paul L. Camwell, Paul G. Cataford, Michael J. Lang, Howard W. Yenke, Barry D Batcheller and John Tye III are independent within the meaning of National Instrument 58-101. These Directors are not a part of Hemisphere GPS management and do not have any direct or indirect material relationship with the Corporation which could or could reasonably be expected to interfere with the exercise of the Directors' independent judgement.

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

Steven Koles is not independent as he is the President and Chief Executive Officer of Hemisphere GPS.

Richard Heiniger is not independent as he was President of Hemisphere GPS LLC, a wholly-owned subsidiary of Hemisphere GPS from April 2005 to May 2006.

Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.

A majority of the directors are independent. There are eight Directors in total, six of whom are independent.

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>
Michael Lang	A member of the board, and chairs the audit committee of Dynetek Industries Ltd.
Barry Batcheller	N/A
Paul Camwell	N/A
Paul Cataford	A member of the board of Sierra Wireless Inc.
Richard Heiniger	N/A
Steven Koles	A member of the board, and chairman of the compensation committee, of Route1 Inc.
John Tye III	N/A
Howard Yenke	N/A

Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.

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

Commencing in 2006, the Hemisphere GPS board (“**the Board**”) began adding a standing or regular item to its agendas so that at all Board meetings, there is time available for the independent Directors to meet alone, apart from the non-independent Directors. However, following the resignation of Stephen Verhoeff as a Director and CEO and the resignation of Richard Heiniger as President of Hemisphere GPS LLC, in May 2006, it has been determined that because of the significant number of independent Directors on the board separate meetings of the independent Directors are no longer required.

Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.

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

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

Michael Lang – 100%

Barry Batcheller - 100%

Paul Camwell – 100%

Paul Cataford – 100%

Rick Heiniger – 100%

Steven Koles – 100%

John Tye III - 100%

Howard Yenke – 100%

- **Board Mandate – Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.**

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

- **Position Descriptions**

Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.

The Board has developed a position description for the Board chairman. The Board has also developed specific Terms of Reference for each of its standing committees. The terms describe the committees and by inference their chairs' roles. The Terms of Reference for the Audit Committee (“**Schedule C**”), Compensation Committee (“**Schedule D**”) and Corporate Governance Committee (“**Schedule E**”) are attached.

Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.

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

- **Orientation and Continuing Education**

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

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

Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

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

- **Ethical Business Conduct**

Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code

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

Disclose how a person or company may obtain a copy of the code

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

Describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code

All Hemisphere GPS Directors, officers and employees annually sign a form saying they are in compliance with the Code of Conduct. The Code includes specific procedures for anyone wanting to report a perceived violation of the Code. These procedures include access to an anonymous “whistle-blower hotline” (overseen by a third-party organization) that relays Code concerns directly to the Audit Committee. The

Audit Committee has a standing or regular item on its meeting agendas to ensure that any submissions to the “whistle-blower hotline” are addressed promptly and thoroughly.

Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

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

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

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

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

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

- **Nomination of Directors**

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

The Board's Corporate Governance Committee is responsible to develop and maintain a list of potential candidates for Board membership when necessary, and to review, interview, and recommend nominees to the full Board. Other Board members and management may also provide recommendations for nominees. Nominees must possess general business management experience, together with specific experience in areas of strategic interest to Hemisphere GPS. Nominees must also be willing and able to devote the required time and energy to Board responsibilities, and to support the Corporation's mission and strategic objectives.

Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.

The Corporate Governance Committee, which is responsible for nominating Directors, is comprised of two independent Directors.

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

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

- **Compensation**

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

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

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

The Compensation Committee is comprised entirely of independent Directors.

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

The Compensation Committee is charged with the responsibility to oversee the approach of the Corporation to matters concerning Director, executive and employee compensation and, from time to time, to make recommendations to the Board of Directors with respect to such matters.

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

If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.

During 2006, the Corporation engaged a third party consulting firm to assist in the development of a comprehensive compensation program that will ensure that the Corporation remains externally competitive. The program applies to all employees of the Corporation, including officers, but does not apply to Directors. The consultant provided no other services to the Corporation during the year.

- **Other Board Committees**

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

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

- **Assessments**

Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.

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

SCHEDULE B

MANDATE OF THE BOARD OF DIRECTORS

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

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

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

Strategic Direction, Operating, Capital and Financial Plans

- a. require the CEO to present annually to the Board a strategic business plan for the Corporation's business, which must:
 - (i) be designed to achieve the Corporation's principal objectives,
 - (ii) identify the principal strategic and operational opportunities and risks of the Corporation's business, and
 - (iii) be approved by the Board as a pre-condition to the implementation of such plan;
- b. review progress towards the achievement of the goals established in the strategic, operating and capital plans;
- c. review the principal risks of the Corporation's business and the steps the Corporation is undertaking to manage these risks;
- d. approve the annual operating and capital plans;
- e. approve issuances of additional common shares or other securities to the public;
- f. monitor the Corporation's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;

Management and Organization

- g. appoint the CEO and determine the terms of the CEO's employment with the Corporation;
- h. in consultation with the CEO, develop a position description for the CEO;
- i. evaluate the performance of the CEO periodically;

- j. in consultation with the CEO, establish the limits of management's authority and responsibility in conducting the Corporation's business;
- k. in consultation with the CEO, appoint all officers of the Corporation and approve the terms of each officer's employment with the Corporation;
- l. receive periodically from the CEO the CEO's evaluation of the performance of each senior officer who reports to the CEO;
- m. develop a system under which succession to senior management positions will occur in a timely manner;
- n. approve any proposed significant change in the management organization structure of the Corporation;
- o. approve all retirement plans, if any, for officers and employees of the Corporation;
- p. in consultation with the CEO, establish a communications policy for the Corporation;
- q. generally provide advice and guidance to management;

Finances and Controls

- r. discuss with management the Corporation's systems to manage the risks of the Corporation's business and whether such systems are appropriate in the circumstances;
- s. consider the appropriateness of the Corporation's capital structure;
- t. review with management the procedures and controls in place to ensure that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis and whether such systems are appropriate in the circumstances;
- u. in consultation with the CEO, establish the ethical standards to be observed by all officers and employees of the Corporation and a process to monitor compliance with those standards;
- v. review with management the processes and systems designed to ensure compliance with applicable laws by the Corporation and its officers and employees and whether such systems are appropriate in the circumstances;
- w. review with management the steps taken by the Corporation to maintain the integrity of internal control and information systems, including maintenance of all required records and documentation;
- x. review and approve material contracts to be entered into by the Corporation;
- y. recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporation's auditors;
- z. take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance;

Governance

- aa. in consultation with the Chairman of the Board, develop a position description for the Chairman of the Board;
- bb. facilitate the continuity, effectiveness and independence of the Board by, amongst other things,

- (i) selecting nominees for election to the Board,
- (ii) appointing a Chairman of the Board who is not a member of management;
- (iii) appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate,
- (iv) defining the terms of reference of each committee of the Board,
- (v) implementing processes to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director,
- (vi) establishing a system to enable any director to engage an outside adviser at the expense of the Corporation;

cc. review periodically the adequacy and form of the compensation of directors;

Delegation

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

Meetings

ee. the Board shall meet at least two times per year and/or as deemed appropriate by the Board Chair;

ff. minutes of each meeting shall be prepared;

gg. the Chief Executive Officer or his designate(s) may be present at all meetings of the Board;

hh. Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board;

ii. if requested by any director, the members of the Board who are not members of the Corporation's management, will meet separately from directors who are members of management, to discuss any matters raised by the director requesting the separate meeting;

Report/Authority

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

SCHEDULE C

AUDIT COMMITTEE TERMS OF REFERENCE

1. **Establishment of Audit Committee:** The board of directors (the "Board") hereby establish a committee to be called the Audit Committee (the "Committee").
2. **Membership:** The Committee shall be composed of three members or such greater number as the Board may from time to time determine, all of whom shall be "independent", as such term is defined in Multilateral Instrument 52-110, "Audit Committees" ("MI 52-110"). Members shall be appointed periodically from among the "independent" members of the Board. All members of the Committee shall be financially literate, being defined under MI 52-110 and herein as having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the Corporation's financial statements.
3. **Mandate:** The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities.

Audit Committee Purpose

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

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

Audit Committee Duties and Responsibilities

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

Review Procedures

- (a) Review periodically the Committee's Terms of Reference;
- (b) Review the Company's annual audited financial statements and related documents, including the press release and MD&A, prior to filing or distribution. Review should include discussion with

management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments;

- (c) Following completion of the annual audit, review separately with each of management and the independent auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (d) Review any significant disagreements among management and the independent auditors in connection with the preparation of the financial statements;
- (e) Periodically, in consultation with management and external auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures;
- (f) Review risk management policies and procedures of the Company (i.e., litigation and insurance);
- (g) Periodically review and assess the adequacy of the procedures that are in place for the review of the Company's public disclosure of financial information extracted from or derived from the Company's financial statements;
- (h) Review significant findings prepared by the external auditors together with management's responses;
- (i) Review the principal risks affecting financial reporting;
- (j) Review with financial management and the external auditors, and approve, the company's quarterly financial results and related documents, including the quarterly press releases and MD&A, prior to the public release. By approval of these Terms of Reference for the Audit Committee, the Board delegates the authority to approve these documents on behalf of the Board;
- (k) Discuss any significant changes to the Company's accounting principles prior to their adoption. The Chair of the Committee may represent the entire Audit Committee for purposes of this review;

External Auditors

- (l) The external auditors are ultimately accountable to the Audit Committee and the Board of Directors, as representatives of the shareholders. The Audit Committee shall review the independence and performance of the auditors and annually recommend to the Board of Directors the appointment of the external auditors or approve any discharge of auditors when circumstances warrant;
- (m) Approve the fees and other significant compensation to be paid to the external auditors;
- (n) On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence;
- (o) Review the external auditors' audit plan - discuss and approve audit scope, staffing, locations, reliance upon management, and general audit approach;
- (p) Prior to releasing the year-end financial results, discuss the results of the audit with the external auditors. Discuss certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants;

- (q) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting;
- (r) Approve all non-audit services to be provided to the Corporation by the external auditors' firm, prior to such services being performed, except that by approval of these terms of reference, the Audit Committee hereby approves the following non-audit services to be provided by the external auditors:
 - (i) Tax services connected with the preparation of the Corporation's tax returns, or the tax returns of any of its subsidiaries; and
 - (ii) Due diligence and tax services connected with any mergers, acquisitions or dispositions being considered by the Corporation;
- (s) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present or former auditors;
- (t) When there is to be a change in external auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;

Legal Compliance

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

Other Audit Committee Responsibilities

- (v) Periodically assess the effectiveness of the committee against its terms of reference and report the results of the assessment to the Board.

4. Administrative Matters: The following general provisions shall have application to the Committee:

- (a) The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties;
- (b) Two members of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference;
- (c) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its independent members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains;
- (d) The Committee shall meet at least four times per year and/or as deemed appropriate by the Chair;
- (e) If deemed necessary by the Chair, agendas shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings;

- (f) Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chief Executive Officer by the Board Chair;
- (g) The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee;
- (h) The time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board;
- (i) Unless otherwise designated by the Board, the members of the Committee shall elect a Chairman from among the members and the Chairman shall preside at all meetings of the Committee. The Chairman of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chairman, the members of the Committee shall appoint one of their members to act as Chairman;
- (j) Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.

SCHEDULE D**COMPENSATION COMMITTEE TERMS OF REFERENCE**

1. **Establishment of Compensation Committee:** The board of directors (the "Board") hereby establish a committee to be called the Compensation Committee (the "Committee").
2. **Membership:** The Committee shall be composed of two members or such greater number as the Board may from time to time determine, of whom the majority shall be "independent" directors as defined in Multilateral Instrument 52-110 "Audit Committees". Members shall be appointed periodically from among the members of the Board.
3. **Mandate:** The Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for overseeing the approach of the Corporation to matters concerning director, executive and employee compensation and, from time to time, shall review and make recommendations to the Board as to such matters. Specifically, the Committee will have the authority and responsibility for:
 - (a) reviewing on a periodic basis the compensation of the Board, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and recommending to the Board changes in director compensation based upon such review;
 - (b) reviewing on a periodic basis the compensation of the Senior Executives of the Corporation, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and recommending to the Board changes in executive compensation based upon such review;
 - (c) reviewing, on a periodic basis the compensation program of the Corporation, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and approving changes to the compensation program. For this purpose, the compensation program of the Corporation will include salaries, benefit programs, stock-based compensation programs, incentive compensation programs, and all other items impacting the compensation of all employees of the Corporation;
 - (d) make recommendations to the board of directors regarding appointments of corporate officers and senior management;
 - (e) monitoring the human resources practices of the Corporation, including the development and implementation of policies, performance management and other processes impacting employee recruitment and retention;
 - (f) reviewing corporate goals and objectives relevant to Chief Executive Officer compensation and together with the independent directors determine and approve the Chief Executive Officer's compensation based on evaluation from the Chairman of the Board;
 - (g) making recommendations to the board of directors with respect to compensation of executive officers other than the Chief Executive Officer and incentive compensation and equity based plans that are subject to board approval;

- (h) reviewing annually and recommending for approval to the board of directors the executive compensation disclosure and "Report of the Compensation Committee" disclosure of the Corporation in its information circular; and
- (i) reviewing periodically the Committee's Terms of Reference.

4. **Administrative Matters:** The following general provisions shall have application to the Committee:

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

SCHEDULE E**CORPORATE GOVERNANCE COMMITTEE TERMS OF REFERENCE**

1. **Establishment of Corporate Governance Committee:** The board of directors (the "Board") hereby establish a committee to be called the Corporate Governance Committee (the "Committee").
2. **Membership:** The Committee shall be composed of two members or such greater number as the Board may from time to time determine, of whom the majority shall be outside directors and unrelated to the Corporation. Members shall be appointed periodically from among the members of the Board.
3. **Mandate:** The Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for developing the approach of the Corporation to matters concerning corporate governance and, from time to time, shall review and make recommendations to the Board as to such matters. Specifically, the Committee will have the authority and responsibility for:
 - (a) periodically review the mandates of the Board and the terms of reference of its committees and recommend to the Board such amendments to those mandates as the Committee believes are necessary or desirable;
 - (b) preparing and recommending to the Board periodically a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the Toronto Stock Exchange and any other regulatory authority;
 - (c) to make recommendations to the Board as to which directors should be classified as "related" directors or "unrelated" directors pursuant to any such report or circular;
 - (d) reviewing on a periodic basis the composition of the Board and considering whether an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs;
 - (e) assessing, periodically, the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board;
 - (f) maintaining a list of potential candidates for Board membership and where appropriate, interviewing potential candidates for board membership;
 - (g) to develop for approval by the Board, when necessary, an orientation and education program for new recruits to the Board;
 - (h) to act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
 - (i) to develop and recommend to the Board for approval and periodically review structures and procedures designed such that the Board can function independently of management;
 - (j) review periodically the Committee's Terms of Reference; and
 - (k) to review and consider the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director.

4. **Administrative Matters:** The following general provisions shall have application to the Committee:
- (a) the Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation;
 - (b) two members of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference;
 - (c) any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains;
 - (d) members should have or obtain sufficient knowledge of the Corporation's corporate governance requirements to assist in providing advice and counsel on ongoing compliance and improvements to the Corporation's corporate governance activities;
 - (e) the Committee shall meet at least two times per year and/or as deemed appropriate by the Chair;
 - (f) if deemed necessary by the Chairman, agendas, shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings;
 - (g) any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chief Executive Officer by the Board Chair;
 - (h) the Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee;
 - (i) the time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board;
 - (j) unless otherwise designated by the Board, the members of the Committee shall elect a Chairman from among the members and the Chairman shall preside at all meetings of the Committee. The Chairman of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chairman, the members of the Committee shall appoint one of their members to act as Chairman. Notwithstanding the foregoing, in all circumstances the Chairman must be an outside director, unrelated to the Corporation; and
 - (k) minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.